

Washington, DC - Congressman Maurice Hinchey (D-NY) today helped the House pass a bill to provide stability to American families hit hardest by the recession and to stimulate the local economy by extending unemployment benefits, the homebuyers' tax credit, and tax relief for military families and businesses. The Emergency Unemployment Compensation Extension Act will provide immediate assistance, extending relief to millions of workers, families, and businesses nationwide. The bill now moves to the White House where President Obama is expected to sign it into law.

"This bill provides a helping hand to those who need it most -- Americans who have lost their job and continue to suffer from unemployment for long periods of time in this very difficult economy," Hinchey said. "The unemployment funds provided in this bill will help people pay for groceries, fill their cars with gas, and pay their mortgage or rent on time. This bill will also help spur the housing market by providing much-needed tax credits to both first-time homebuyers and those who have already been homeowners for at least five years. Additionally, this legislation provides tax relief to businesses so that they can stay afloat in the face of difficult economic circumstances."

The legislation Hinchey voted for today will provide unemployed New Yorkers who have exhausted or will exhaust their benefits before the end of this year with an additional 20 weeks of emergency unemployment compensation. The extension is fully paid for and will provide an immediate, effective stimulus to the local economy. The Congressional Budget Office has cited unemployment benefits as one of the most cost-effective forms of economic stimulus, and every dollar spent on unemployment benefits generates \$1.63 in new demand, according to Moody's chief economist Mark Zandi.

Importantly, the bill also extends the popular \$8,000 first-time homebuyers tax credit, which has been credited with helping to revive the housing market, to April 30, 2010 and provides a new \$6,500 credit to homebuyers who have lived in their current residence for five years or more. It also helps military families struggling to make mortgage payments by making those payments tax-exempt.

To breathe life back into American businesses suffering from huge losses, the bill also allows U.S. companies to carry back losses incurred in either 2008 or 2009 against income earned in any of the five prior years.

